

Carpenters Health and Security Trust
of Western Washington

Reimbursement Agreement
When Recovery Is Obtained Against A
Third Party or Insurer

Participant's Name (please print): _____ SSN: _____
Injured Party's Name: _____ SSN: _____
Date of Accident: _____

This Agreement is between the Board of Trustees of the Carpenters Health and Security Trust of Western Washington ("Trust") and the undersigned injured party.

1. **Statement of Purpose.** The plan excludes benefits for any illness or injury (hereafter, "Injury") caused by the act or omission of another person (known as the "third party"), where an opportunity for recovery exists from the third party or the third party's insurer. The plan also excludes benefits for any Injury for which first party coverage is available under an automobile, homeowners, renters, commercial premises or other liability insurance policy insuring the injured party, regardless of who caused the Injury. If an injured party has a potential right of recovery from a third party or an insurer, the plan, as a convenience to the injured party may advance benefits pending resolution of the claim, subject to the terms of this Agreement.

2. **Reimbursement of Benefits.** The injured party agrees that the Trust's payment of benefits related to the Injury is conditioned upon reimbursement from any judgment, settlement, disputed claim settlement, or other recovery, up to the full amount of all benefits provided by the Trust, but not to exceed the amount of the recovery. The Trust is entitled to reimbursement regardless of whether the injured party is made whole by the recovery, and regardless of the characterization of the recovery; provided that the Trust will deduct reasonable attorney fees and a pro rata share of the costs from the reimbursement amount as provided below, if the injured party and his representative comply with the terms of the plan and this Agreement.

3. **Cooperation With Trust.** The injured party agrees to execute and deliver instruments and papers, disclose the circumstances resulting from the Injury, disclose the existence of any other lien holders and do whatever else is necessary to secure the Trust's right to reimbursement. The injured party will do nothing to prejudice the Trust's right to reimbursement. The injured party further acknowledges that he or she will notify the Trust if an attorney is retained at a later date.

4. **Attorney Fees and Costs.** If reasonable attorney fees are incurred by the injured party in recovering from the third party or insurer, the Trust agrees to pay a percentage of attorney fees on the amount reimbursed to the Trust, not to exceed the percentage actually charged by the attorney to the injured party. If reasonable costs are incurred by the injured party in recovering from the third party or insurer, the Trust agrees to pay a pro rata share of the costs, based upon the Trust's share of the gross recovery to the total gross recovery. Notwithstanding the foregoing, the Trust's payment of attorney fees and costs is contingent on the injured party and his representative complying with the terms of the plan and this Agreement. Costs incurred solely for the benefit of the injured party shall be the responsibility of the injured party.

5. **Right to Cease Advancing Benefits.** The Trust may cease advancing benefits, if there is a reasonable basis to determine that the injured party will not honor the terms of the plan or this Agreement, or there is a reasonable basis to determine that this Agreement is not enforceable, or the Board of Trustees modifies the plan provisions related to advancing benefits. The Trust may also deny coverage for expenses incurred after recovery on the third-party claim, if such expenses are related to the third-party recovery.

6. **Preservation of Funds Following Recovery.** When any recovery is obtained from a third party or insurer, whether by direct payment, settlement, judgment, or any other way, the injured party, in conjunction with his attorney or representative, if applicable, will maintain, preserve and protect funds that are sufficient to satisfy the Trust's reimbursement amount by holding such funds in an escrow or trust account until the Trust's claim is resolved by mutual agreement, arbitration or court order. The obligation to place the reimbursement amount in trust is independent of the obligation to reimburse the plan. If the funds necessary to satisfy the Trust's reimbursement amount are not placed in an escrow or trust account, the injured party or the individual named to hold the funds in trust shall be personally liable for any loss the Trust suffers as a result.

7. **Breach.** It will constitute an immediate breach of this Agreement, if within 60 days following recovery from the third party or insurer, the injured party does not reimburse the Trust for the amount of benefits provided pursuant to this Agreement. If the injured party breaches this Agreement, the amount of benefits provided by the Trust which are related to the Injury will become immediately due and payable together with interest, and all costs of collection, including reasonable attorney fees and court costs. Interest will be calculated at the prime interest rate then prevailing at the Bank of America in Seattle, Washington, or its successor, on the date of the breach, plus five (5) percentage points, but not to exceed the amount permitted by law. All amounts due and payable will be owed to the Trust.

8. **Enforcement/Trust's Right to Attorney Fees and Costs.** After recovery by the injured party, and pending reimbursement to the Trust, the Trust may elect to recoup the reimbursement amount from benefit payments, including benefit payments for the injured party's family members, by denying such payments until the amount of benefits provided has been recovered.

Upon breach of this Agreement, the Trust may bring an action against the injured party to enforce its right to reimbursement and/or this Agreement, or to seek a constructive trust, or in the alternative may elect to recoup the reimbursement amount by offsetting future benefit payments, including those of family members, or by recovery from the source to which benefits were paid. If the Trust is forced to bring a legal action to enforce its rights under this Agreement, it shall be entitled to its reasonable attorney fees, costs of collection and court costs.

9. **Waiver.** The amount due under this Agreement may only be waived by written agreement of the Trust.

10. **Service/Venue.** The injured party hereby agrees and covenants to accept personal service by the mailing of a copy of the Complaint brought pursuant to this Agreement to the current address provided below, or as changed by written notice to the Trust by the injured party. The injured party agrees to promptly notify the Trust of any change in address. Venue in any action

may be brought in King County Superior Court or the United States District Court for the Western District of Washington, at Seattle, at the option of the Trust.

11. Governing Law. Construction, interpretation and enforcement of this Agreement shall be governed by the laws of Washington state, without regard to its conflict of laws provisions, except as otherwise preempted by ERISA.

12. Consultation of Attorney. The injured party hereby acknowledges the right to consult an attorney regarding this Agreement prior to its execution.

Participant, Injured Party and Attorney

Participant's Signature

Date Signed

Participant's Address and Telephone Number

Injured Party's Signature (individuals age 18 and older)

Date Signed

Injured Party's Address and Telephone Number

Signature of Custodial Parent of Minor Child (if applicable)

Date Signed

Signature of Legal Guardian of Minor Child (if applicable)

Date Signed

Attorney's Signature

Date Signed

Attorney's Address and Telephone Number

Carpenters Health and Security Trust
of Western Washington
PO Box 1929
Seattle WA 98111

By _____
Trust Administrative Agent